

MINUTES
State Allocation Board
September 27, 2006

Upon notice duly given, the monthly meeting of the State Allocation Board was held in Room 4203 of the State Capitol in Sacramento, California on September 27, 2006 at 2:00 p.m.

Members of the Board present were as follows:

- Michael Genest, Director, Department of Finance
- Ron Joseph, Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education, designated representative for Jack O'Connell, Superintendent of Public Instruction
- Rosario Girard, President and CEO, Phoenix Construction Services, Inc., appointee of Arnold Schwarzenegger, Governor of the State of California
- Senator Bob Margett
- Senator Alan Lowenthal
- Senator Jack Scott
- Assembly Member Jackie Goldberg
- Assembly Member Bob Huff
- Assembly Member Gene Mullin

Representatives of the State Allocation Board (SAB) were as follows:

Luisa M. Park, Executive Officer
Mavonne Garrity, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Luisa M. Park, Executive Officer
Lori Morgan, Deputy Executive Officer

Representative of the Department of General Services, Office of Legal Services, was as follows:

Garry Ness, Assistant Chief Counsel

With a quorum present, Michael Genest, Chair, called the meeting to order at 2:08 p.m.

PRIOR MINUTES

A motion was made and carried to approve the Minutes for the August 23, 2006 SAB meeting.

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer informed the Board that an item presented in the agenda will redesignate the modernization energy funds to allow the additional funds for new construction energy grants.

Additionally, after the Board, the energy funds will be exhausted for both modernization and new construction.

CONSENT ITEMS

The Board considered the redesignation of energy funds item prior to approving the consent calendar as presented. However, Mr. Michael Genest abstained from the Sonora Union High School item and Ms. Kathleen Moore abstained from voting on the Elk Grove Unified School District agenda item but voted in support of all others.

As provided for by the Board at its June 2006 meeting, the School Facility Program new construction consent items in this September agenda were not approved as full and final apportionments.

The OPSC will present a funding item at the October 2006 State Allocation Board Meeting that provides the general site development additional grant for the affected projects (June 2006 through September 2006) and which constitutes the full and final apportionments.

FINANCIAL REPORTS

Re-Designation of Energy Funds

In considering this item, the Board approved the staff's recommendation.

Status of Funds

The Board accepted the Status of Funds report as presented.

SPECIALS/APPEALS

Kings River Union Elementary/Tulare 52/71969-00-01

In considering this item, the Board approved the staff's recommendations.

Natomas Unified/Sacramento 52/75283-00-02

Assembly Member Niello, Mr. Michael Cannon, Project Manager, Mr. Steve Ferrar, Superintendent of the Natomas Unified School District, Mr. Bruce Hancock of Hancock and Gonos, addressed the Board in support of this item. In considering this item, the Board approved the District's request as a Type II joint-use project for a potential amount of \$2,000,000. In approving the District's request, the Board made it clear that the project was unique in that the original pupil grants had been limited and that Natomas Charter School did attempt to provide a physical education facility. In addition, the Board directed staff to place this project at the end of the list of joint-use projects that may be considered for joint-use funding when funds become available, either through Proposition 1D or other funding sources.

Natomas Unified/Sacramento 52/75283-00-03

Assembly Member Niello, Mr. Michael Cannon, Project Manager, Mr. Steve Ferrar, Superintendent of the Natomas Unified School District, Ms. Anne Marie Gold, Director of the Sacramento Public Library Authority. In considering this item, the Board approved the District's request for funding as a Type II joint-use project for a potential amount of \$911,004 based on the fact that the District showed intent to file as a Type I. In addition, the Board directed staff to place

this project at the end of the list of joint-use projects that may be considered for joint-use funding when funds become available, either through Proposition 1D or other funding sources.

Scotts Valley Unified/Santa Cruz 22/75432-00-04

Ms. Susan Silver, Superintendent, Scotts Valley Unified School and Ms. Patricia Calvin, Chief Business Official addressed the Board regarding the District's settlement of a contract dispute on a Lease-Purchase Program project. In considering this item, the Board approved the staff's recommendations.

REGULATIONS/POLICY

Assembly Bill 127 Amendments to Program Regulations

In considering this item, the Board approved the staff's recommendations. The Board approved Option 2 regarding High Performance Schools Grant along with a revision to Regulation Section 1859.163.1.

In addition, the Board requested staff to revisit the issues raised by Global Green in the working group and report back on the findings at a future Board meeting.

The Board also requested that CDE work with the OPSC to collect project cost and construction information relative to future grant increase and to report back on the findings.

School Facility Program Adjustments to the New Construction Baseline Eligibility

In considering this item, the Board approved the staff's recommendations. The Board directed Staff to proceed with a five-year exclusion from Financial Hardship for districts using local funds to replace facilities.

Amendments to the School Facility Program

In considering this item, the Board approved the staff's recommendations.

REPORTS

General Site Development Report

In considering this item, the Board accepted the report.

School Facility Program Costs Avoided Per Pupil by Use of Year-Round Education

In considering this item, the Board approved the staff's recommendation.

Division of State Architect Plan Approval Report

In considering this item, the Board accepted the report.

Job Order Contracting

In considering this item, the Board accepted the report.

INFORMATION/REFERENCE

Remaining Board Meeting Dates for the 2006 Calendar Year

School Facility Program - Modernization Unfunded List as of August 23, 2006

School Facility Program Workload List for New Construction and Modernization – Applications Received Through September 11, 2006

Deferred Maintenance Program Unfunded List as of June 28, 2006

Facility Hardship/Rehabilitation Approvals Without Funding List as of August 23, 2006

ADJOURNMENT

There being no further business to come before the Board, the Chair adjourned the meeting at 5:45 p.m.

LUISA M. PARK, Executive Officer